

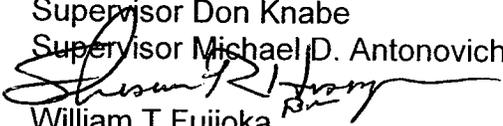


County of Los Angeles
CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

August 15, 2008

To: Supervisor Yvonne B. Burke, Chair
Supervisor Gloria Molina
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

**DEPARTMENT OF HEALTH SERVICES REQUEST TO APPOINT ALLAN WECKER
TO THE POSITION OF CHIEF FINANCIAL OFFICER, HEALTH SERVICES**

Consistent with the Board-approved policy on management appointments, the Department of Health Services (DHS) requests authorization to appoint Allan Wecker to the position of Chief Financial Officer, Health Services, at an annual salary of \$168,369.12 (\$14,030.76/month), placing him on Step 10 of this S16 position and reflecting a 41.7 percent increase over his current base salary of \$9,903.14. We have reviewed the request and concur with the attached DHS request to appoint Mr. Wecker.

As the Chief Financial Officer, Health Services, Mr. Wecker reports to the Administrative Deputy, Health Services, and will be responsible for overseeing a division of over 360 employees and a budget of over \$3.5 billion dollars. His duties include administering all of the healthcare financial programs, services and planning functions for DHS, including fiscal services, revenue services, program audits and reimbursement, contract administration and capital planning. In addition, the incumbent represents DHS' interests at the local, State, and federal levels regarding healthcare funding, complex revenue reimbursement programs, and financial compliance. Mr. Wecker also works with the Board of Supervisors, Health Deputies, County Chief Executive Officer (CEO), and Deputy CEOs on various financial issues.

"To Enrich Lives Through Effective And Caring Service"

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Each Supervisor
August 15, 2008
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DHS indicates that Mr. Wecker has worked for DHS for approximately 28 years. He held the payroll title of Chief, Revenue Management, Health Services for over four years. Most recent, Mr. Wecker has been functioning as the Acting Chief Financial Officer for DHS for the past year and a half and has acquired extraordinary knowledge, skills and capability through the performance of his duties. Accordingly, the salary placement for Mr. Wecker on Step 10 of this S16 position would be consistent with the level of experience and knowledge that he brings to this position.

In accordance with the policy on managerial appointments, unless this office is informed otherwise from your offices by August 22, 2008, we will advise DHS that authorization has been granted to proceed with Mr. Wecker's appointment to Chief Financial Officer, Health Services at an annual salary of \$168,369.12, effective August 23, 2008.

If you have any questions or concerns regarding this appointment, please contact me, or your staff may contact Latisha Thompson at (213) 974-1157, or at lthompson@ceo.lacounty.gov.

WTF:SRH:SAS
MLM: DHH:yb

- Attachment

c: Executive Officer, Board of Supervisors
Interim Director, Department of Health Services
Director of Personnel

Allan Wecker_mbs

NON-PHYSICIAN MANAGEMENT APPOINTMENT REQUEST

Candidate Name: Allan N. Wecker

Employee No.:

(Check one) NEW HIRE: _____ PROMOTION: **XX**

I. FACILITY/PROGRAM

A. Provide organization chart & highlight the position

SEE ATTACHMENT

B. Describe where the position fits into the management organizational structure:

The Chief Financial Officer position reports directly to the Administrative Deputy, DHS.

C. Describe the duties and responsibilities which reflect the scope and complexity of the position:

SEE ATTACHMENT

D. Indicate the candidate's unique qualifications, special skills or abilities, work background or experience, etc.:

This position is responsible for administering all of the healthcare financial programs, services and planning functions for the Department, including fiscal services, revenue services, program audits and reimbursement, contract administration and capital planning. Mr. Welker oversees the Department's \$3.5 billion budget with a personnel complement of 363 employees. He also represents the Department on the California Association of Public Hospitals (CAPH) responsible for developing short and long term goals and objectives regarding the financing of public hospitals in the State of California. He also assists in developing and attaining approval of a program that maximizes medi-cal revenue for physician services. Mr. Welker represents the department's interests at the local, state, and federal levels regarding healthcare funding, complex revenue reimbursement programs, and financial compliance. He also maintains positive working relationships with the CEO's Office, Health Deputies and the Board of Supervisors, providing periodic budget briefings.

Mr. Wecker is currently the Acting Chief Financial Officer and has acquired extraordinary knowledge, skills and capability through the performance of his duties. He is currently receiving additional assignment bonus of approximately 26% based on the range of responsibilities inherent with oversight of Financial services of a department as large and complex as DHS. Prior to that, Mr. Wecker was the Chief, Fiscal Programs for eight years.

E. Provide the candidate's résumé or curriculum vitae

SEE ATTACHMENT

F. Identify highest paid subordinate reporting to this position

Name: Lawrence Gatton Employee #: Title: Chief Financial Management, Health Services

Base Monthly Salary: \$12,880.68 Base Annual Salary: \$154,568.16 Salary Range/Quartile: S-14

G. Identify management position above the position requested

Name: James Jones Employee #: Title: Administrative Deputy, Health Services

Base Monthly Salary: \$15,224.33 Base Annual Salary: \$182,691.96 Salary Range/Quartile: R16

II. HUMAN RESOURCES

Certify that the position is vacant and budgeted

YES NO

Verify current salary of the individual for whom the request is being submitted.

CURRENT BASE SALARY: Month: \$ 9,903.14 Annual: \$11,8837.68 Range, Quartile: S12, Step 8

NEW HIRE OR PROMOTION: Designate amount of proposed monthly salary based on standard 5.5 increases and/or verify that requested salary is consistent with other managers in the department.

PERCENTAGE INCREASE OVER CURRENT SALARY: 41 %

PROPOSED SALARY: Monthly: \$14,030.76 Annually: \$168,369.12 Range, Quartile: S16, Step 10

Reviewed listing of all internal equivalent positions within facility/program

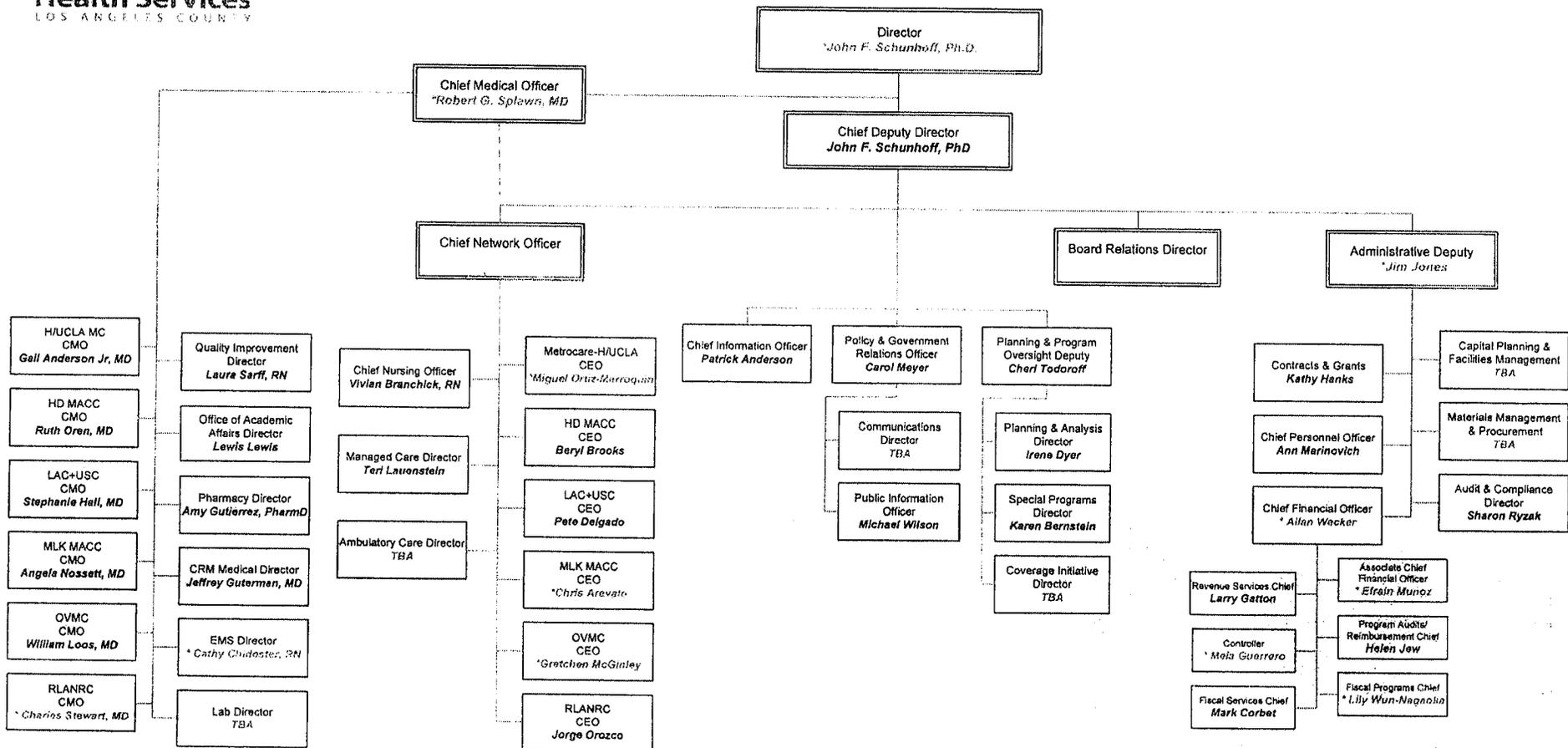
YES NO

Verify that candidate is listed on the appropriate Certification List and is reachable

YES NO



DEPARTMENT OF HEALTH SERVICES
Organizational Chart

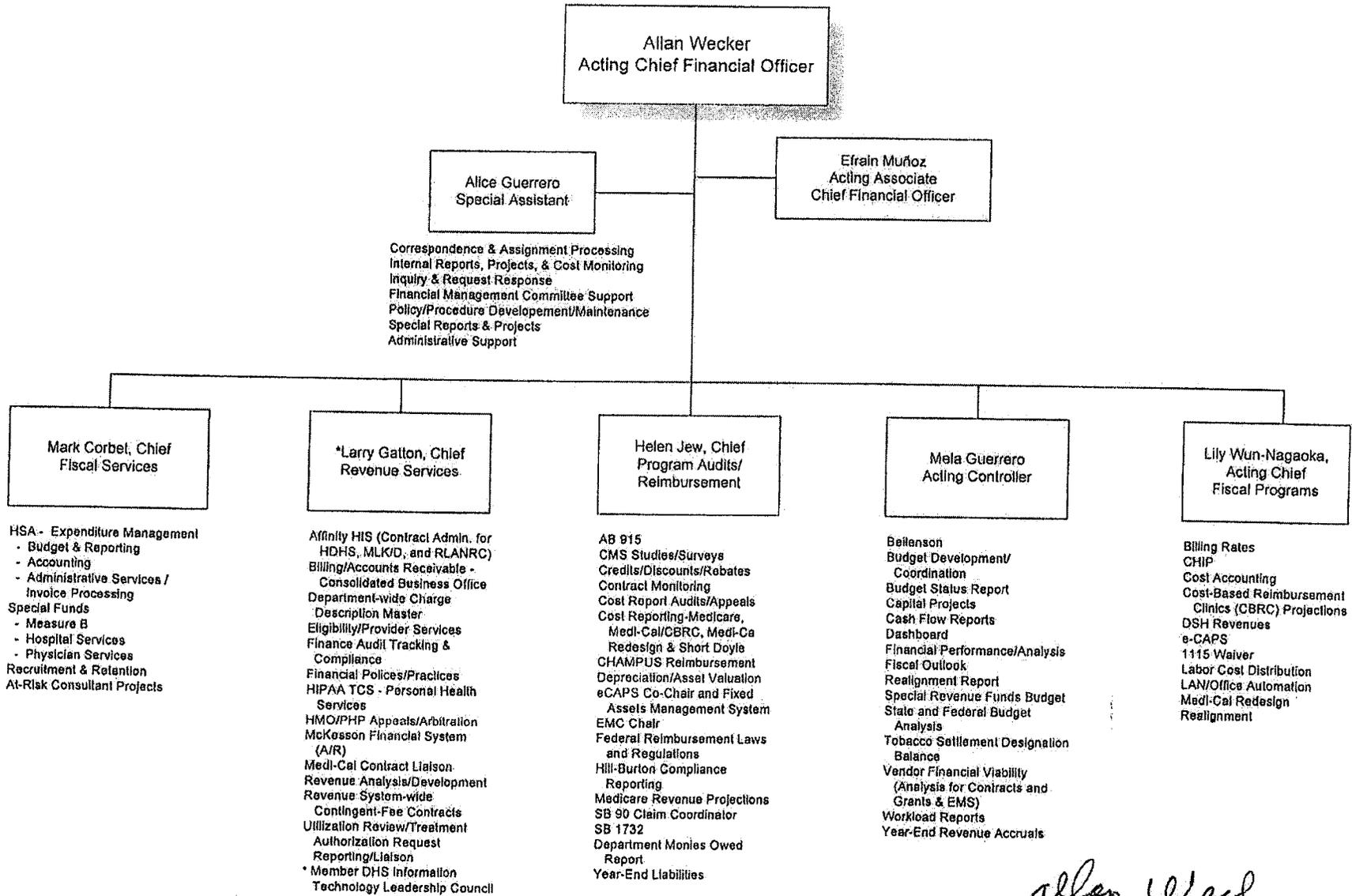


John F. Schunhoff
John F. Schunhoff, Ph.D.
Interim Director

7-3-08
Date

* Interim
* To Be Announced (TBA)

**COUNTY OF LOS ANGELES - DEPARTMENT OF HEALTH SERVICES
FINANCE ORGANIZATION CHART**



allan wecker

Allan Wecker

**DUTY STATEMENT
CHIEF FINANCIAL OFFICER**

- Evaluates the planning, development, implementation and administration of all aspects of the operation of assigned facilities/programs.
- Provides executive direction for budget preparation and financial management programs, personnel/employee relations and other functional activities.
- Determines short and long term goals and objectives; directs the development and implementation of program objectives, policies, and procedures.
- Directs the evaluation of program operations to determine whether such operations are efficient, effective and in compliance with federal, state and local statutes.
- Directs the management of all contracts involving Los Angeles County hospitals and private vendors/contractors.
- Plans and implements program changes to meet identified needs to solve system-wide problems.
- Directs the development of policies and programs to improve the delivery of health care services to patients and to ensure that such services meet federal and state legislative regulations and standards.
- Directs the preparation of reports of assigned health programs/services for the Director of Health Services and outside agencies.
- Maintains continuing relationships with County administrative officials, community groups, regulatory agencies, and federal, state and local organizations in all matters concerning the administration of specialized health programs.
- Ensures that assigned programs/services meet federal and state legislative regulations and standards.

Résumé - Allan Wecker

I have worked for the Los Angeles County - Department of Health Services for approximately 28 years, August 1980- present.

Work Experience – Last 10 Years

Employer: Los Angeles County Department of Health Services
Employer Address: 313 North Figueroa St
City/State: Los Angeles Ca, 90012
From: April 1, 2007
To: Present
Total Months: 13 Months
Hours per week: 40
Salary: \$12,577 per month
Payroll Title: Chief Revenue Management, Health Services
Number Supervised: 5

Duties: I am currently the Acting Chief Financial Officer for the Department of Health Services. I represent Los Angeles County Department of Health Services on the California Association of Public Hospitals (CAPH) Board. As a member of this Board we have developed short and long term goals and objectives regarding the financing of public hospitals in the State of California. I assisted in the development and federal approval of a program that helps maximize Medi-Cal Revenue for Physician services. I developed legislation that created the South Los Angeles Medical Preservation fund. This fund helped to ensure that the South Los Angeles area had funding to provide medical services after the closure of MLK-Harbor Medical Center. I assisted in securing the support of CAPH, California Hospital Association (CHA), and the Governor's office for the creation of this fund. With this support the legislation was signed by the Governor and enacted into law. The Department of Health Services is currently facing a budget deficit starting in Fiscal Year 2008/09. I developed a plan of action that ranged from reducing costs to maximizing current revenues to developing new revenue sources to address this funding shortfall. I helped develop and recently received federal approval for a new funding source for Medi-Cal managed care patients. I worked with LA Care and State DHS to develop the necessary contracts to implement this program. This program is worth approximately \$37 million annually. I am also responsible for completing negotiations with Centers for Medicare/Medicaid Services (CMS) regarding the payment methodology for Cost Based Reimbursement Clinic (CBRC). We have been able to negotiate a very favorable methodology and this will increase our

CBRC revenue by \$25 million annually. I am responsible for updating the CEO, Health Deputies, and the Board regarding our budget every two months. We present to this group a five-year financial forecast for the department. We are also working with CMS to revise the way claims are paid for hospital Medi-Cal inpatient services. This new process will allow for both reductions in costs along with increased revenue. I represent Los Angeles County as a member of the National Association of Public Hospitals. We develop financial policies at the federal level that effect reimbursement for both the Medicare and Medi-Cal programs.

Employer: Los Angeles County Department of Health Services

Employer Address: 313 North Figueroa St

City/State: Los Angeles Ca, 90012

From: March 24, 2004

To: March 30, 2007

Total Months: 37 Months

Hours per week: 40

Salary: \$9,000 per month

Payroll Title: Chief Revenue Management, Health Services

Number Supervised: 5

Duties: Assisted the California Association of Public Hospitals and State Department of Health Services in developing a statewide 1115 Waiver. This waiver completely restructured how county hospitals are paid for Medi-Cal. We designed the payment system that would maximize federal revenues. This new system was able to generate an additional \$100 million annual for Los Angeles County Department of Health Services. After federal approval we developed legislation that implemented the new payment system. We worked with both the Legislature and the Governor's office to enact the bill into law. I helped implement a cost accounting system that allows the department to calculate both direct and fully allocated costs by patient. I also developed a new system that captures statistics by payor class. These systems will allow the department to accurately complete our various cost reports. I was the liaison between the department of Health Services and the Auditor-Controller in implementing the eCAPS General Ledger and Accounts Payable Systems. I was responsible for overseeing the development of a revised Labor Cost system and the auditing of Los Angeles County's 1115 Waiver. I conducted re-analyses of Scenario III reductions at Martin Luther King/Drew Medical Center. This was accomplished by comparing costs of comparable rate centers between

Harbor/UCLA Medical Center and MLK/Drew Medical Center. I worked with the Office of Inspector General on their audit of the indigent care match. Managed the financial responsibilities and functions of the County's HMO, Office of Managed Care (OMC) Community Health Plan, to ensure compliance with California Department of Managed Health Care and Knox-Kneene regulation; and provide fiscal projections and analyses related to Department restructuring plans to outsource some of OMC's administrative and financial functions.

Employer: Los Angeles County Department of Health Services

Employer Address: 313 North Figueroa St

City/State: Los Angeles Ca, 90012

From: December 1, 2001

To: March 24, 2004

Total Months: 28 Months

Hours per week: 40

Salary: \$7,656 per month

Payroll Title: Programs Administrator, Health Services

Number Supervised: 10

Duties: During 2002 the Department of Health Services was facing another budget shortfall. I developed proposals for potential submission to the Governor regarding assistance to DHS, including reducing the State DSH administrative fee, accessing unspent SCHIP funding, and provide a CMAC rate increase. With these ideas we were able to get both the State and Federal governments to agree to provide additional funding to Los Angeles County Department of Health Services. Additionally, I assisted in the development of a financial plan that reduced costs to assist in balancing the department's budget. I worked with outside consultants to develop and analyze the fiscal impact of closing of Rancho Los Amigos Medical Center. I worked with executive management in developing the Los Angeles County DHS pilot Project SCHIP Proposal submitted to the State for consideration. I participated in several Financial Oversight Advisory Group meetings with the Director of Finance and provided various types of financial information and other fiscal-related data. I managed high revenue programs including the SB 855 Disproportionate Share Hospital (DSH) program and Selective Provider Contracting Program waiver which provides numerous Medi-Cal funding sources, including, but not limited to, fee-for-service Medi-Cal inpatient general acute care hospital services, SB 1255 funds which supplement the Medi-Cal inpatient general acute care rate with Emergency Services and Supplemental Payments. Additionally, I developed a SB 855 model which is used to calculate the changes in DSH revenue based on

Department restructuring, consolidation, and downsizing scenarios. I worked with CAPH to develop legislation which would allow DHS to receive Federal reimbursement based on the difference between actual emergency room costs and Medi-Cal reimbursement received for those services. This program is worth approximately \$12 million annually. The Bill, AB 915, was approved by the Governor on September 20, 2002 as an urgency statute.

Employer: Los Angeles County Department of Health Services
Employer Address: 313 North Figueroa St
City/State: Los Angeles Ca, 90012
From: August 30, 1996
To: December 1, 2001
Total Months: 63 Months
Hours per week: 40
Salary: \$7,257 per month
Payroll Title: Fiscal Officer II, Health Services
Number Supervised: 10

Duties: I developed, programmed, and implemented an automated system that prepared the necessary claims and reports for the Department's 1115 Waiver. This system helped claim over \$250 million per year over the life of the Waiver. I assisted in the negotiations for the renewal of the 1115 Waiver for the department. I helped to negotiate cost based reimbursement for the department's hospital outpatient and non hospital based clinics. I represented Los Angeles County on the California Association of Hospitals DSH task Force. This group helped to maximize the amount of revenues available through the Disproportionate Share Hospital (DSH) funding. This group developed state legislation that allowed the DSH program to always claim the full federal allotment for DSH. I worked with Rancho Los Amigos staff to develop a cost/revenue model to assist them in determining the financial feasibility of converting to alternate governance, as required by Board action. I developed the Accounting and Procedures for the Los Angeles County 1115 Waiver. I developed ideas related to the potential outsourcing of certain functions of the office of Managed Care, e.g., claims processing, enrollment and capitation roster reconciliation, contractor monitoring, and financial reporting. I worked with Federal Office of Inspector General staff on their audit of California's OBRA '93 Calculation. I developed various legislative options to enhance support for trauma and emergency services. I developed reports that allows the department to monitor the FTE count by hospital within natural class. I worked

with outside consultants in securing legislation which saved DHS over \$150 million in SB 855 revenue losses under the OBRA '93 DSH caps. I assisted in legislation which made both Rancho Los Amigos Medical Center and High Desert Hospital eligible for SB 1255 funds. This bill provides the ability for DHS to obtain additional SB 1255 funds while staying within the OBRA '93 DSH cap limit. I developed a standardized cost allocation methodology for the Comprehensive health centers and health centers.

Employer: Los Angeles County Department of Health Services
Employer Address: 313 North Figueroa St
City/State: Los Angeles Ca, 90012
From: July 2, 1996
To: August 30, 1996
Total Months: 2 Months
Hours per week: 40
Salary: \$5,530
Payroll Title: Senior Health Services Fiscal Analyst
Number Supervised: 3
Duties: Assisted the hospitals in completing there OSHPD quarterly reports.

Employer: Los Angeles County Department of Health Services
Employer Address: 313 North Figueroa St
City/State: Los Angeles Ca, 90012
From: February 2, 1994
To: July 2, 1996
Total Months: 29 Months
Hours per week: 40

Salary: \$5,530
Payroll Title: Senior Staff Analyst Health
Number Supervised: 3
Duties: Updated the CAPS PC based Accounting system. I developed instructions to the hospitals to assist them in completing the Final Revenue Performance report.

Employer: Los Angeles County Department of Health Services
Employer Address: 313 North Figueroa St
City/State: Los Angeles Ca, 90012
From: January 2, 1989
To: February 2, 1994
Total Months: 61 Months
Hours per week: 40
Salary: \$5,234
Payroll Title: Principal Accounting Systems Technician
Number Supervised: 3
Duties: I developed General Ledger closing instructions for the hospitals. I worked with Revenue Management to revise the mapping of insurance codes to financial classes.

Employer: Los Angeles County Department of Health Services
Employer Address: 313 North Figueroa St
City/State: Los Angeles Ca, 90012
From: January 1, 1986
To: January 2, 1989
Total Months: 36 Months
Hours per week: 40

Salary: \$2,822
Payroll Title: Senior Accounting Systems Technician
Number Supervised: 2
Duties: I developed a PC based payment system that lists the patients that were paid by either Medi-Cal or Medicare program. I developed a data base to capture hospital based patient specific data. The data includes days, visits, payor, and ancillary services.

Employer: Los Angeles County Department of Health Services
Employer Address: 313 North Figueroa St
City/State: Los Angeles Ca, 90012
From: September 16, 1982
To: January 1, 1986
Total Months: 39 Months
Hours per week: 40
Salary: \$2,257
Payroll Title: Accounting Systems Technician
Number Supervised: 1
Duties: I developed an online Informational reporting systems for patient statistics. This data was used to complete the hospitals Medicare and Medi-Cal Cost Reports

Employer: Los Angeles County Department of Health Services
Employer Address: 313 North Figueroa St
City/State: Los Angeles Ca, 90012
From: February 22, 1982
To: September 15, 1983
Total Months: 43 Months

Hours per week: 40
Salary: \$1,771
Payroll Title: Accountant II
Number Supervised: 0

Duties: I developed savable net cost methodology by medical service and program for the hospitals and produce summary reports for the proposed budget. I provided technical assistance and guidance for completing the OSHPD Cost report.

Employer: Los Angeles County Department of Health Services

Employer Address: 313 North Figueroa St

City/State: Los Angeles Ca, 90012

From: August 1, 1980

To: February 21, 1982

Total Months: 18 Months

Hours per week: 40

Salary: \$1,450

Payroll Title: Accountant I

Number Supervised: 0

Duties: I prepared weekly and monthly cash flow projections to assist the Auditor-Controller in determining the cash balances and projecting future cash needs.